

# Exhibit A

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IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF NEW MEXICO  
SECURITIES AND EXCHANGE COMMISSION,  
Plaintiff,  
vs. NO: 12-257  
LARRY A. GOLDSTONE,  
CLARENCE G. SIMMONS, III,  
and JANE E. STARRETT,  
Defendants.

VIDEOTAPED DEPOSITION OF JANE ELISE STARRETT  
February 19, 2013  
9:12 a.m.  
119 East Marcy Street, Suite 110  
Santa Fe, New Mexico

PURSUANT TO THE FEDERAL RULES OF CIVIL  
PROCEDURE, this deposition was:

TAKEN BY: MR. GREGORY A. KASPER  
Attorney for the Plaintiff

REPORTED BY: Jennifer Bean, FAPR, RDR-RMR CCR #94

Job No.: 57810

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03:18:43	1	the 10-K.	03:21:08	1	comments to, Ms. Starrett?
03:18:45	2	Q. And why would Mr. Campbell have occasion to	03:21:10	2	MR. MARKS: Objection; vague.
03:18:47	3	need to see a draft of the 2007 Form 10-K?	03:21:15	3	A. I don't know. I think -- I mean, all my
03:18:52	4	A. They were busy preparing the offering	03:21:17	4	sentence is saying, If you have something you want to
03:18:54	5	document for that capital raise.	03:21:20	5	communicate, let us know.
03:18:58	6	Q. And some of the material contained in the	03:21:22	6	Q. Okay.
03:19:01	7	2007 Form 10-K draft would also appear in those	03:21:42	7	MR. KASPER: I'll just say for the record
03:19:03	8	offering documents; correct?	03:21:43	8	that the investigative Exhibit Number 71 appears to
03:19:05	9	A. Yes.	03:21:48	9	be an e-mail in response to this, which I understand
03:19:06	10	Q. Okay. And who is the human being that	03:21:54	10	counsel for Ms. Starrett will instruct her not to
03:19:10	11	answers the e-mail at Halle.Bennet@ubs.com?	03:21:58	11	answer any questions related to, despite the fact
03:19:13	12	A. Halle Bennett is an underwriter at UBS.	03:22:01	12	that I have some communication from the trustee
03:19:17	13	Q. And is it fair to say that he had a need to	03:22:07	13	regarding the privilege issues. But -- so,
03:19:20	14	see the same information for the same reason as Mr.	03:22:11	14	Mr. Marks, can you confirm that that's the case?
03:19:21	15	Campbell?	03:22:14	15	MR. MARKS: Yes. Based on what I know
03:19:22	16	A. Yes, the FBR and UBS were the	03:22:15	16	about that document, it's a communication between
03:19:24	17	co-underwriters for that offering.	03:22:19	17	senior executives at Thornburg and the company's
03:19:27	18	Q. And how about -- was	03:22:22	18	outside counsel, at the time Sheri Fox, to which I
03:19:31	19	Jacob.Farquharson@CliffordChance.com, the person who	03:22:24	19	believe a privilege attaches. And I haven't seen
03:19:39	20	is associated with e-mail address Jacob.Farquharson	03:22:30	20	anything that constitutes an effective waiver by what
03:19:43	21	@CliffordChance.com?	03:22:34	21	I'm assuming is the holder of the privilege,
03:19:45	22	A. He was underwriter's counsel.	03:22:35	22	Mr. Sher. And I've heard the e-mail that he -- you
03:19:46	23	Q. Okay. And so he needed to see the	03:22:39	23	know, you've read us the e-mail he sent to you. And
03:19:49	24	information for the same reason we previously	03:22:40	24	I don't view that as an effective waiver, and in
03:19:50	25	discussed?	03:22:43	25	fact, reserving his rights to later claim the
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03:19:51	1	A. Correct.	03:22:46	1	privilege as to that document. And then I do
03:19:52	2	Q. Okay. Now, if you look at the e-mail, the	03:22:48	2	understand that the bankruptcy trustee may have taken
03:19:59	3	last sentence prior to your closing is, "this	03:22:51	3	positions claiming the privilege as to communication
03:20:03	4	language has not yet been circulated to anyone else	03:22:55	4	with Thornburg counsel in the past.
03:20:06	5	within the company or to others outside the company."	03:22:57	5	And so I would view this, if it were even
03:20:09	6	Do you see that?	03:23:00	6	effective waiver as to this document, it could be
03:20:10	7	A. Yes.	03:23:03	7	inappropriate to waive the privilege to selective
03:20:11	8	Q. And does that refresh your recollection or	03:23:07	8	documents and still claim the privilege. And I'd
03:20:16	9	do you believe that this is the first time that the	03:23:10	9	want Mr. Sher to understand that this would be a
03:20:19	10	recent developments section was communicated to	03:23:13	10	potential subject matter waiver of all
03:20:23	11	anyone outside of Thornburg?	03:23:15	11	communications.
03:20:28	12	A. Based on what I've said in the e-mail, yes.	03:23:16	12	So based on that, I feel an obligation not
03:20:30	13	Q. Okay. And the last sentence says, "If you	03:23:19	13	to allow Ms. Starrett to testify as to privileged
03:20:37	14	have comments on the recent developments language,	03:23:24	14	communications.
03:20:39	15	please provide them to Clay, Larry, or myself." Do	03:23:25	15	MR. KASPER: Okay. And just so the record
03:20:41	16	you see that?	03:23:26	16	is complete, I'll just state for the record, I have
03:20:42	17	A. Yes.	03:23:28	17	in my hand an e-mail from Mr. Sher to myself, copying
03:20:43	18	Q. Do you know why you would have -- why did	03:23:32	18	Mr. McKenna, dated January 14, 2013, in which he
03:20:47	19	you ask for comments to be provided only to Mr.	03:23:36	19	writes, "I'm not asserting privilege in the document
03:20:50	20	Simmons, Mr. Goldstone, or you?	03:23:39	20	at this time. I do, however, reserve the right to
03:20:54	21	A. Well, none of those people, Mr. Campbell,	03:23:42	21	assert privilege if other facts come to my attention
03:20:56	22	Mr. Bennet, or Mr. Farquharson had any relationship	03:23:44	22	would change my view."
03:20:59	23	with anyone else at Thornburg that would have been	03:23:44	23	That's the e-mail Mr. Marks was referring
03:21:02	24	involved in the drafting of the 10-K.	03:23:47	24	to. And I guess we'll pursue whatever remedies we
03:21:07	25	Q. Who else would they have possibly given	03:23:52	25	have to pursue related to this and related to your

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03:23:54	1	instruction.		03:27:25	1	and February 26, when it was first provided to KPMG,	
03:23:55	2	MR. MARKS: Okay. Thank you.		03:27:29	2	did you have any conversations with Mr. Goldstone and	
03:24:01	3	Q. Now, as of – just if we can go back for		03:27:31	3	Mr. Simmons about the timing of when that would be	
03:24:04	4	one second to Exhibit 206. At this time, do you have		03:27:33	4	provided to KPMG?	
03:24:10	5	an understanding whether or not a draft of the recent		03:27:40	5	A. I don't recall any specific conversations	
03:24:13	6	developments section had been communicated to KPMG?		03:27:43	6	or details of any conversations.	
03:24:20	7	A. No, I believe that was communicated at a –		03:27:49	7	Q. Do you know who made the decision to not	
03:24:25	8	the next day.		03:27:52	8	provide that information to KPMG until February 26?	
	9	(Exhibit 207 marked.)		03:27:56	9	MR. MARKS: Object to the form of the	
03:25:10	10	Q. Ms. Starrett, do you now have in front of		03:27:57	10	question; assumes facts not in evidence.	
03:25:11	11	you what has been marked as Exhibit 207?		03:28:04	11	A. I don't think there was a decision to not	
03:25:13	12	A. Yes.		03:28:06	12	provide it until a particular date.	
03:25:14	13	Q. Do you recognize this document?		03:28:40	13	MR. MARKS: How are you doing?	
03:25:15	14	A. Yes, I do.		03:28:41	14	THE WITNESS: Fine. You guys kind of wore	
03:25:16	15	Q. What is it?		03:28:44	15	me out with your argument.	
03:25:16	16	A. It's the e-mail I sent to Jennifer Hall		03:28:59	16	Q. 208.	
03:25:20	17	with the draft recent developments language.			17	(Exhibit 208 marked.)	
03:25:23	18	Q. Okay. And is it your recollection that		03:29:06	18	A. Okay.	
03:25:25	19	this is the first time that information was provided		03:29:46	19	Q. Ms. Starrett, you have in front of you	
03:25:27	20	to KPMG?		03:29:48	20	Exhibit 208; is that correct?	
03:25:28	21	A. I believe so.		03:29:50	21	A. Yes.	
03:25:29	22	Q. Okay. Did you have any communications with		03:29:50	22	Q. Do you recognize this document?	
03:25:38	23	Ms. Hall prior to the time of this e-mail alerting		03:29:52	23	A. I don't recall it, but I can see that it's	
03:25:41	24	her that this information was coming?		03:29:55	24	an e-mail from Deborah Burns about the timing of the	
03:25:45	25	A. Yes, I believe I did.		03:29:58	25	2008-1 securitization.	
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03:25:47	1	Q. Can you tell me what you recall about that		03:30:01	1	Q. Okay. Who is Ms. Burns?	
03:25:49	2	communication?		03:30:03	2	A. Deborah Burns -- I forget what her title	
03:25:49	3	A. I don't recall any specifics other than		03:30:05	3	was, but she was a senior -- oh, her title is right	
03:25:51	4	that we would be providing language.		03:30:10	4	here -- senior vice president of structured finance.	
03:25:55	5	Q. Do you recall what Ms. Hall's reaction was?		03:30:14	5	Q. And what was her -- you know, what did that	
03:26:00	6	A. Nothing other than acceptance, that she		03:30:15	6	mean? What was her job at Thornburg? What did she	
03:26:04	7	understood we would be providing language and that it		03:30:17	7	do?	
03:26:06	8	was an open area at that point.		03:30:18	8	A. Her job was to take the individual	
03:26:14	9	Q. As you saw previously, this section was		03:30:28	9	mortgages securitized by -- I mean, originated by	
03:26:18	10	initially drafted no later than February 21; is that		03:30:32	10	Thornburg Mortgage Home Loans, any purchased	
03:26:25	11	right?		03:30:37	11	individual mortgages from other mortgage originators,	
03:26:26	12	A. That's correct.		03:30:41	12	and bundle them into a mortgage securitization and	
03:26:29	13	Q. Do you have an understanding of why the		03:30:45	13	take that to market.	
03:26:32	14	information -- why a draft was not provided to KPMG		03:30:49	14	Q. And what does 2008 -- TMST 2008-1 refer to?	
03:26:34	15	until February 26, some several days later?		03:30:54	15	A. Thornburg Mortgage Securities Trust 2008-1.	
03:26:41	16	A. Well, the language, as drafted, said that		03:30:59	16	So the 2008 stands for the year of the	
03:26:44	17	we had met all the margin calls. And at the time		03:31:02	17	securitization, and the 1 is, it's the first issuance	
03:26:50	18	that we provided it on the 26th, we knew that to be		03:31:05	18	of mortgage securities by Thornburg Mortgage in 2008.	
03:26:54	19	true. The intervening days we were still working our		03:31:09	19	Q. Okay. And at the time of this e-mail,	
03:26:59	20	plan to get the margin calls paid. And at that point		03:31:11	20	February 21, what, if any, was your understanding	
03:27:07	21	the language was still unresolved. So we waited		03:31:19	21	about when that securitization was to take place?	
03:27:11	22	until, you know, we were clear about the situation		03:31:25	22	A. Well, that securitization -- the timing of	
03:27:14	23	and then provided clear language.		03:31:27	23	that securitization is completely up to the company.	
03:27:19	24	Q. At any point between February 21, when the		03:31:31	24	There is no -- it's not like there is a filing	
03:27:22	25	recent development language was first being drafted,		03:31:33	25	deadline or something like there would be for a 10-K.	